

FILED
1/30/23 3:55 pm
CLERK
U.S. BANKRUPTCY
COURT - WDPA

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re:	:	Case No. 22-20823-GLT
	:	
U LOCK INC.,	:	Chapter 7
	:	
Debtor.	:	Related to Dkt. No. 293, 294, 304
	:	

**ORDER REGARDING ORDER TO SHOW CAUSE AND
REQUEST FOR ADMINISTRATIVE EXPENSE**

On January 27, 2023, the Court conducted a hearing on the *Order to Show Cause* dated January 17, 2023 directing creditor Christine Biros and her counsel, Attorney Robert S. Bernstein, to show cause why they should not be sanctioned for filing *Christine Biros' Motion for Allowance of Administrative Expense Claim Pursuant to 11 U.S.C. § 503(b)(1)* (“Motion”)¹ in violation of Fed. R. Bankr. P. 9011(b)(1)-(3).² Before hearing oral argument, the Court provided its initial observations regarding their joint response.³ The Court also expressed a willingness to continue the *Order to Show Cause* so that the reasonableness of the \$144,000 request could be demonstrated in conjunction with a renewed request for an administrative expense.

Following the Court’s comments, Attorney Bernstein largely declined to defend the *Motion*. Although he maintained that the amount requested was reasonable and filed in good faith,⁴ Attorney Bernstein stated Ms. Biros would likely amend her request based on the Court’s concerns. They asked that the *Order to Show Cause* be released without sanctions, but also indicated a desire to contest matters contained in the *Memorandum Opinion* setting forth the reasons for the *Order to Show Cause*.

¹ See Dkt. No. 258.

² See *Order to Show Cause*, Dkt. No. 294; see also *Memorandum Opinion*, Dkt. No. 293.

³ See *Response of Christine Biros and Robert S. Bernstein, Esq. to Order to Show Cause*, Dkt. No. 304.

⁴ While the response asserts that “[Ms. Biros] and [Attorney] Bernstein anticipated having an opportunity to argue the position and preview the evidence at the hearing originally scheduled [on the *Motion*],” neither the *Motion* nor the response contained such a preview, and none was given at the hearing. *Id.* at ¶ 32.

Understandably, Ms. Biros and Attorney Bernstein need time to consider the Court's comments and decide how they wish to proceed. They still have the opportunity to seek reconsideration of the *Memorandum Opinion* (which the Court will extend), and the *Order to Show Cause* should be consolidated with any such proceedings. Also, Ms. Biros may still move for an administrative expense claim, so it may be logical to hear evidence on that issue in conjunction with their defense of the *Motion's* \$144,000 request, assuming one is asserted. At the very least, the Court will afford them one last chance to appear in opposition to the *Order to Show Cause* before it is taken under advisement.

AND NOW, therefore, it is hereby **ORDERED, ADJUDGED, and DECREED** that:

1. The *Order to Show Cause* is **CONTINUED GENERALLY** as provided in this order.
2. Attorney Bernstein's oral motion to extend time to file a motion seeking reconsideration of the *Memorandum Opinion* is **GRANTED**. Any motion for reconsideration shall be filed on or before **March 1, 2023**.
3. On or before **March 1, 2023**, Ms. Biros shall file a renewed or amended application for an administrative expense claim to the extent she still seeks one.
4. Following submission of these motions (if any), the Court will enter appropriate scheduling orders.

A handwritten signature in black ink, appearing to read "Gregory L. Taddonio", with the initials "sjb" written below it.

Dated: January 30, 2023

GREGORY L. TADDONIO
CHIEF UNITED STATES BANKRUPTCY JUDGE

In re:
U LOCK INC
Debtor

Case No. 22-20823-GLT
Chapter 7

CERTIFICATE OF NOTICE

District/off: 0315-2
Date Rcvd: Jan 30, 2023

User: auto
Form ID: pdf900

Page 1 of 2
Total Noticed: 4

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.
#	Addresses marked '#' were identified by the USPS National Change of Address system as requiring an update. While the notice was still deliverable, the notice recipient was advised to update its address with the court immediately.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Feb 01, 2023:

Recip ID	Recipient Name and Address
db	## U LOCK INC, 14140 U.S. Route 30, N. Huntingdon, PA 15642-1068
cr	+ Christine Biros, c/o Bernstein-Burkley, P.C., Sarah E. Wenrich, 601 Grant Street, 9th Floor, Pittsburgh, PA 15219-4430
intp	+ Renee' E. Basista, 9 Donna Drive, Irwin, PA 15642-9417
ptcrd	+ Shanni Snyder, 14390 Route 30, Unit H, North Huntingdon, PA 15642-1050

TOTAL: 4

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.
Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI).

NONE

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
mgp		George Snyder
mgp		Kash Snyder

TOTAL: 2 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Feb 01, 2023

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on January 30, 2023 at the address(es) listed below:

Name	Email Address
Charles O. Zebley, Jr.	on behalf of Trustee Charles O. Zebley Jr. COZ@Zeblaw.com, PA67@ecfbis.com;Lyndie@Zeblaw.com
Daniel McArdle Booker	on behalf of Plaintiff Christine Biros mbooker@bernsteinlaw.com

District/off: 0315-2

User: auto

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Date Rcvd: Jan 30, 2023

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Total Noticed: 4

Daniel McArdle Booker

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Eric E. Bononi

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J. Allen Roth

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Jeremy J Kobeski

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Office of the United States Trustee

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Sarah Elizabeth Wenrich

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TOTAL: 13